

SALEM MVP**Objective:** Rebuild brand equity.**Strategy:** Grow buyer base by targeting 21-24 smokers.**Source of Business:**

- 21-24 year old smokers twice as likely to switch than 25+.
- NM and M are both viable opportunities.

Switching:**SOS (1/95-3/96)**

<u>18-24</u>	<u>25+</u>	<u>Index</u>
16.1	8.3	194

18-24 Buyer Profiles

<i>Previous usual RAND</i> <u>PUB</u>	<u>CUB</u>	
	<u>M</u>	<u>NM</u>
M	13.5%	8.7%
NM	11.3%	66.5%

SALEM MVP

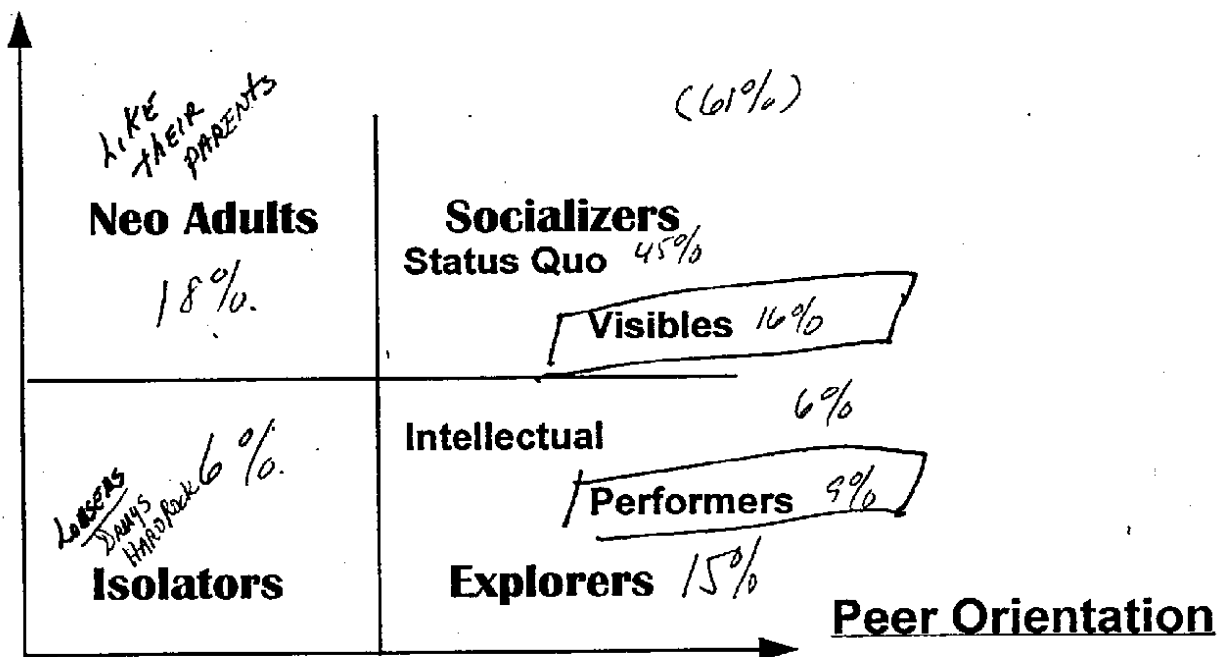
Source of Business

*Monthly Share
10 yrs. Ago - 40% Share
Now - 22%*

Objective: **Rebuild SALEM equity.**

Older Adult Orientation

- Acceptance driven
- Traditional
- Societal values
- Mainstream



- Pleasure driven
- Individual/young adult values
- Counter cultures

Source of Business**OLDER ADULT ORIENTATION****Neo Adults**

- Lack appropriate social skills.
- Prefer parental environments.
- "Dweebs," "nerds," "geeks," "dorks."
- Like top 40 classic rock and other music accepted by older adults.

Isolators

- Behavior isolates them from peers and adults.
- "Druggies," "stoners," "burnouts."
- Like heavy metal music.

PEER ORIENTATION**Socializers**

- Status quo: oriented to young adult culture but don't alienate adults.
- Career oriented, good grades.
- Make up college infrastructure.
- "Preppy," "club joiners."

Visibles

- Most visible because of emphasis on fashion, music, sexuality.
- Celebrities of student population due to looks/personality.
- Pleasure driver; intent on creating own lifestyle centered around them and friends.
- Ethnically mixed.
- "Trendies," "jock," "rappers."
- Like hard rock.
- Know exactly what is hip and what is not.

Explorers

- Adopt alternative and experimental identities to define themselves as different and individual.
- Part of a larger influencing group (they influence the socializers).
- Creative, involved.
- Influences are broad based and constantly changing.

Intellectuals

- Likely to be involved with ecological/political movements.
- Well informed, intelligent, articulate. Avoid mass trends.
- Like alternative music.

Performers

- Least understood and accepted by adults/mainstream but not delinquents/derelects.
- More artistically and culturally oriented than intellectuals.
- Change yearly, adopting the uniform of their current passion whether "punk," "grunge," or "skaters."
- Hard to track.

Repositioning Challenges

Current brand perceptions among 21-24 year old smokers:

<u>Perception</u>	<u>Fact or Fiction</u>	<u>Action Plan</u>
		<u>Advertising:</u>
• Older	80% smokers are 35+	• Establish a clearly younger brand personality
• Female	58% are female	• Adopt inclusionary tone for broad appeal among men, women, and across ethnic groups.
• White	23% are black	
• Big menthol brand	4.0 SOM	• Leverage credibility built by 40-year heritage.
		<u>Product:</u>
• Product is "light" and "wimpy"	Parity with Newport	• Introduce cork tip, FF Box style.

Targeting Key Trendsetters (Performers/Visibles)

■ Significance for SALEM:

- Switching brand behavior driven by trying friend's cigarettes. It is critical to capture the performers/visibles who exert maximum peer influence.
- Advertising must be relevant, intelligent, and not try too hard (and must be validated by this group!)
- Explorers have a love/hate relationship with advertising; they are intrigued by it and hate most brand advertising they see.
- 75% of our marketing efforts should go against the roughly 25% of young adults made up by the performers/visibles.

SALEM MVP

Action Plan Summary:

- **Project objective is to rebuild brand equity.**
- **Strategy is to grow the buyer base by targeting 21-24 smokers.**
- **New buyer profiles are menthol and nonmenthol smokers.**
- **Advertising objectives are:**
 - **Establish a relevant brand personality that sets SALEM apart from competition.**
 - **Leverage the menthol smoking experience in a unique way.**
 - **Possess an inclusionary tone that appeals across ethnic groups and males and females.**

MVP

"Green"

- Positioning Vision:

SALEM is the brand that leverages the core menthol benefits (coolest, freshest) in a unique, unexpected, and surprising way through images/attitudes that reinforce its product (menthol) benefits.

- Rationale:

- Leverages SALEM menthol equity.
- Solid link between product and attitude.
- Ability to maintain relevance to target through time.

SALEM POSITIONING

51847 7784

MVP

Recommendation: Move forward with "Green" campaign to ad test.

	<u>Green</u>	<u>Scape</u>	<u>Smooth Haven</u>
<u>Strengths</u>	<ul style="list-style-type: none">• Leverage core menthol benefits of "cooler," "fresher"• Sets up a new product expectation• Persuasive in getting target to want to try SALEM• Enormous stopping power• Consistently communicates a younger adult brand personality	<ul style="list-style-type: none">• Has stopping power• Forces smokers to get involved in the ad• Strong branding	<ul style="list-style-type: none">• Graphically very inviting• Unique look
<u>Weaknesses</u>	<ul style="list-style-type: none">• Needs further exploration on how the campaign is sustained	<ul style="list-style-type: none">• Not as younger adult• Not as strong a call to action• Does not leverage clear product point of difference beyond "smooth"	<ul style="list-style-type: none">• Not enough stopping power• Weak branding• Not younger adult enough